

#### **TESTIMONY BY:**

JADE T. BUTAY DIRECTOR

Deputy Directors LYNN A.S. ARAKI-REGAN DEREK J. CHOW ROSS M. HIGASHI EDWIN H. SNIFFEN

# STATE OF HAWAII DEPARTMENT OF TRANSPORTATION

869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

February 6, 2019 1:15 p.m. State Capitol, Room 225



# S.B. 409 RELATING TO ELECTRIC VEHICLES

Senate Committee on Transportation

The Department of Transportation (DOT) **supports** S.B. 409 which will establish an annual electric vehicle registration surcharge and deposit the fees collected into the state highway fund.

It is important that all users including owners of electric vehicles that are driven on the state highways contribute their share of revenues to support the needs of the state highway fund. Electric vehicles inflict wear and tear on the roads but don't use any fuel and therefore do not incur any fuel taxes.

Considering there are approximately 8,400 registered electric vehicles, HDOT does not see this bill as creating a significant revenue source. However, it is expected to generate real funds that can be used to repair the aging highway infrastructure and ensure that all are paying their fair share.

Thank you for the opportunity to provide testimony.

# TESTIMONY BEFORE THE SENATE COMMITTEE ON TRANSPORTATION

#### S.B. 409

## **Relating to Electric Vehicles**

Wednesday, February 6, 2019 1:15 PM, Agenda # 8 State Capitol, Conference Room 225

Brennon Morioka
Director, Electrification of Transportation
Hawaiian Electric Company, Inc.

Aloha Chair Inouye, Vice Chair Harimoto and Members of the Committee,

My name is Brennon Morioka and I am testifying on behalf of Hawaiian Electric Company Inc. and its subsidiary utilities Maui Electric Company, Limited and Hawai'i Electric Light Company, Inc. ("the Hawaiian Electric Companies") and would like to offer comments and concerns related to S.B. 409, Relating to Electric Vehicles.

S.B. 409 proposes to establish an annual electric vehicle ("EV") registration surcharge fee to be deposited into the state highway fund. This bill seeks to take steps to address some of the revenue shortfalls that electric vehicles and other alternative fuel vehicles have caused from their lack of contribution to the barrel tax. This is an important undertaking that will require a comprehensive solution in the future when electric vehicles comprise a larger proportion of total vehicles on the road. In short, the EV market is still nascent and such fees may actually discourage the adoption of these vehicles and the transition into clean transportation. Considering the overall EV market represents approximately one percent of the total registered vehicles in the state, applying this registration fee would likely only result in minimal revenue for the state.



The State Department of Transportation is currently conducting a study on alternative fee structures to recover revenues that could be equitably applied to all types of vehicles, including electric. The Hawaiian Electric Companies recommend that this effort continue to be supported to determine the most appropriate fee mechanism for this issue.

As one of the leaders in the state's clean transportation efforts, the Hawaiian Electric Companies remain committed to an EV strategy that is sustainable and helps create a bridge to a cleaner future.

Thank you for this opportunity to submit comments on S.B. 409.



February 6, 2019

# TESTIMONY BEFORE THE SENATE COMMITTEE ON TRANSPORTATION ON SB 409 RELATING TO ELECTRIC VEHICLES

Thank you Chair Inouye and committee members. I am Gareth Sakakida, Managing Director of the Hawaii Transportation Association (HTA) with over 400 transportation related members throughout the state of Hawaii.

We support this measure to have all motor vehicles that use our public roads to contribute to the maintenance of these roads.

Highway funds across the nation have been rendered unsustainable due to reduced collections from fuel taxes. The advancement of non-fossil fueled and hybrid power systems has contributed to this situation, and the situation will only worsen.

These new power systems benefit the ambient environment, but do not pull their fair share to fund road construction and maintenance. Yet these vehicles use these roads and contribute to their deterioration just as much as fossil fuel powered vehicles do.

Mahalo



John Uekawa, President Dave Rolf, Executive Director



# HADA TESTIMONY IN OPPOSITION to SB409

### RELATING TO ELECTRIC VEHICLES

Presented to the Senate Committee on Transportation At the Public Hearing, 1:15 p.m. Wednesday, February 6, 2019 Conference Room 225, Hawaii State Capitol

Chair Inouye, Vice Chair Harimoto and members of the committee:

HADA members believe that the introduction of an additional State fee on owners of EVs which is proposed to be added to the current annual registration fee of EVs would discourage electric vehicle adoption in the state. HADA members thus oppose this measure.

Right now, the State is sending encouraging messages for EV ownership with Hawaii's public policies that promote electric vehicle purchase and use which include the following benefits:

- --Use of the High Occupancy Vehicle (HOV) lanes by an EV with single occupancy
- --Use of free parking at state facilities (with certain time limits) for an EV

It seems incongruous for the State to start sending the opposite signal.

This session we have supported other tax measures to address potential shortfalls in the state highway fund.

Thank you for the opportunity to comment on this measure.

Respectfully submitted, David Rolf The Hawaii Automobile Dealers Association 1100 Alakea St. Suite 2601, Honolulu Hawaii 96813



#### **TESLA TESTIMONY REGARDING SB 409**

# being heard by the Senate Committee on Transportation on Wednesday, February 6, 2019 at 1:15 PM

Aloha Chair Inouye and Members of the Committee:

Thank you for the opportunity to provide testimony regarding SB 409, which would establish an incremental registration fee on electric vehicles. Although Tesla supports ensuring that all vehicles contribute toward the maintenance of the state's roadways, we do have concerns regarding the approach taken in this measure, which singles out electric vehicles for unique and inequitable treatment rather than seeking to more fairly and effectively deal with the fundamental issue impacting the collections for roadway maintenance in the state. Tesla believes that this measure sends the wrong signal to existing and prospective EV drivers and is at cross-purposes with the State's interest in promoting EV adoption. Further, given the relatively small number of EVs in Hawaii presently, imposing an additional fee on EVs will do little to increase funding for roadway maintenance.<sup>1</sup>

Tesla's mission is to accelerate the world's transition to sustainable energy through the deployment of electric vehicles and sustainable energy products, like storage and solar. The transportation sector accounts for a significant share of the state's consumption of fossil fuels, and thus is a major contributor to climate change as well as local air pollution. Electrification of the transportation sector has a critical role to play in weaning the state off fossil fuels, particularly when paired with strong renewable energy goals, like those established in Hawaii. As the grid gets cleaner, so too does the electrified transportation fleet, which is increasingly powered by emissions-free renewable energy.

Recognizing the important role of vehicle electrification in statewide efforts to curb consumption of fossil fuels and the relatively nascent state of the industry, Tesla encourages the Legislature to act cautiously as it takes steps to address concerns like ensuring that EVs contribute their fair share to the state highway fund. A more deliberative and holistic approach can avoid unnecessarily singling out an emerging technology, while ensuring all vehicles, including electric vehicles, are appropriately paying for roadway maintenance.

As has been observed by the Department of Transportation, as vehicle fuel efficiency improves, the amount of funding generated for roadway maintenance through the imposition of conventional fuel taxes is adversely impacted.<sup>2</sup> While EVs, because they use no conventional fuel, are the starkest example of this, improvements in fuel economy more generally across all vehicles poses a medium and long-term challenge to relying on fuel taxes as a primary means of funding roadway maintenance.

<sup>&</sup>lt;sup>1</sup> With an estimated 8300 EVs registered in Hawaii, EVs account for under 2% of the total vehicles in the state. A incremental fee of \$50 would raise less than \$500,000 in incremental funding per year.

<sup>&</sup>lt;sup>2</sup> See October 5, 2016 presentation by the Hawaii Department of Transportation, pgs. 4 and 6; Available for download at https://hidot.hawaii.gov/wp-content/uploads/2015/04/HDOT-Road-User-Fee-Presentation.pdf



Implicitly, the use of fuel taxes to pay for roadway maintenance means that fuel consumption is being used as a proxy for a vehicle's contribution to the wear and tear of Hawaii's roadways. However, because of the significant variability in vehicle fuel efficiency, it is an imperfect proxy.

An alternative means of collecting funds for roadway maintenance would be to establish a per mile fee, on the premise that vehicle miles traveled may be a more reasonable measure of a vehicle's contribution to roadway wear and tear. An energy intensity or BTU tax is yet another way to collect revenues that may merit consideration. Tesla understands that the Department of Transportation is in the midst of a mileage-based user fee pilot.<sup>3</sup> Rather than imposing policies in the near term, like an EV-specific registration fee, that work against the State's policy interests in encouraging EV adoption, Tesla believes a range of alternatives should be considered, including mileage-based fees as well as a BTU tax. Any decision to reform the means by which the cost for roadway maintenance are paid for should consider the pros and cons of the various approaches in terms of equity, effectiveness in generating sufficient funds and broader impacts on State policy goals.

If, however, the State chooses to proceed with pursuing incremental registration fees to address this issue, Tesla asks that the legislation be modified in two important ways.

First and foremost, it is deeply problematic and unfair that plug-in hybrid electric vehicles, alternative fuel vehicles (e.g. hydrogen fuel cell and natural gas vehicles), and hybrid vehicles are not also subject to an incremental registration fee, recognizing that the very same issue that is motivating this legislation with respect to EVs is applicable to these vehicles as well. Because these other vehicle types do use some fuel, they will pay some amount in fuel taxes, however, the amount they pay on a per mile basis is far less than conventional vehicles and therefore also contributes to the central concern this legislation seeks to address. Tesla therefore requests that these vehicle types be included and subject to an incremental registration fee to ensure equitable treatment and to prevent this policy from creating unfair competitive advantages for certain types of clean vehicle technologies. The actual fee levels for any vehicle category subject to the incremental registration fee requirement should be grounded in reasonable assumptions about vehicle miles traveled and technology-specific fuel economy relative to the average conventional vehicle, with the fee set to make up for the estimated shortfall in contributions to the roadway maintenance fund.

Second, Tesla requests that whatever the implementation date of this legislation, the bill be modified to ensure that the fees apply on a going forward basis only to model years that correspond to the year the new fees go into effect and to all subsequent model years. The fees should not apply to vehicles with model years that predate the effective date of the bill. For example, if the incremental registration fees were to be implemented beginning in 2020 only EVs with model years of 2020 or thereafter would be subject to the new fees. This approach is consistent with the approach taken in California with the passage of Senate Bill 1.<sup>4</sup> Tesla believes it would be unfair to change the value proposition to existing EV

<sup>&</sup>lt;sup>3</sup>See "Hawaii is Looking to Adopt a Mileage Tax"; Sophie Cocke, Honolulu Star-Advertiser, September 19, 2016.

<sup>&</sup>lt;sup>4</sup>See Section 9250.6 of the California Vehicle Code.



owners by subjecting families that purchased their EV prior to the adoption of the fees proposed in the bill to the new fees.

Thank you for the opportunity to submit this testimony.



DATE: February 5, 2019

TO: Senator Lorraine Inouye

Chair, Senate Committee on Transportation

Submitted Via Capitol Website

FROM: Tiffany Yajima

**S.B. 409 – Relating to Electric Vehicles** 

Hearing Date: Wednesday, February 6, 2019 at 1:15 p.m.

**Conference Room: 225** 

Dear Chair Inouye and Members of the Committee on Transportation:

On behalf of the Alliance of Automobile Manufacturers ("Alliance") we submit this testimony in **opposition** of S.B. 409. The Alliance is a trade association of twelve car and light truck manufacturers including BMW Group, Fiat Chrysler Automobiles, Ford Motor Company, General Motors Company, Jaguar Land Rover, Mazda, Mercedes-Benz USA, Mitsubishi Motors, Porsche, Toyota, Volkswagen Group of North America, and Volvo Car USA.

S.B. 409 would establish an annual electric vehicle surcharge of an unspecified amount for each electric vehicle registered in the state on top of the annual \$45 vehicle registration fee. This bill raises concern because environmentally-friendly cars are targeted with an extra fee which is counterproductive to clean air goals and fossil fuel reduction targets. In addition, electric vehicles are more expensive than traditional powered vehicles, and the electric vehicle fee adds to costs thereby creating a disincentive for purchasers.

The Alliance supports the evaluation of transportation infrastructure funding and believes this should be treated as part of a complete review rather than singling out the very type of cars which should be incentivized to be adopted.

For these reasons, we respectfully request the committee to hold this measure. Thank you for the opportunity to submit testimony on this bill.



APTIV · Aston Martin · Bosch · Byton · Denso · Ferrari · Honda Hyundai · Isuzu · Kia · Local Motors · Maserati · McLaren Nissan · NXP · PSA · Sirius XM · Subaru · Suzuki · Toyota

February 5, 2019

The Honorable Lorraine R. Inouye Chair, Senate Transportation Committee Hawaii State Capitol, Room 210 415 South Beretania St. Honolulu, Hawaii 96813

#### RE: SB 409 - RELATING TO ELECTRIC VEHICLES - OPPOSE

Dear Senator Inouye:

Global Automakers, www.globalautomakers.org, is writing to inform you of our opposition to SB 409, which would impose additional registration fees on electric vehicles and hybrid-electric vehicles.

Global Automakers represents the U.S. operations of international motor vehicle manufacturers, original equipment suppliers, and other automotive-related trade associations. Our goal in Hawaii (and elsewhere) is to foster an open and competitive automotive marketplace and to create public policy that improves motor vehicle safety, encourages technological innovation and protects our planet.

Our member companies have invested billions in the development of a wide variety of electricdrive vehicles—battery-electric, plug-in hybrid-electric, and hydrogen fuel cell electric vehicles—in addition to traditional hybrids. We now offer over 40 different electric-drive vehicles in a variety of makes, models and price ranges. However, consumer adoption of these vehicles is still in its infancy with 1.8% of all new vehicles sold nationally being electric vehicles. In 2018, electric vehicle sales in Hawaii were only 2.7% of all new vehicles sold.

#### **Electric Drive Vehicles Should Be Supported**

Global Automakers' members support the long-term goal of reducing greenhouse gas emissions and are pushing innovative ways to protect the environment and lessen the nation's reliance on fossil fuels. Increasing consumer adoption of electric-drive vehicles should also be a priority of your state, because of their positive economic and environmental impact on the state. When additional taxes are levied on vehicles, it hinders innovation, sales and manufacturing.

Raising registration fees or additional taxes on hybrid and electric vehicles creates a chilling effect on consumer purchase. Given that the market for these vehicles is still developing now is not the time to impose new barriers to their purchase. It is through investments in infrastructure, incentivization and consumer education that we see increased sales and production of electric vehicles.

Please let us know if you have any questions.



APTIV ° Aston Martin ° Bosch ° Byton ° Denso ° Ferrari ° Honda Hyundai ° Isuzu ° Kia ° Local Motors ° Maserati ° McLaren Nissan ° NXP ° PSA ° Sirius XM ° Subaru ° Suzuki ° Toyota

Sincerely,

Josh Fisher

Senior Manager, State Government Affairs





Email: <a href="mailto:communications@ulupono.com">communications@ulupono.com</a>

# SENATE COMMITTEE ON TRANSPORTATION Wednesday, February 6, 2019 — 1:15 p.m. — Room 225

### Ulupono Initiative Opposes SB 409, Relating to Electric Vehicles

Dear Chair Inouye, Vice Chair Harimoto, and Members of the Committee:

My name is Murray Clay and I am the Managing Partner of Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable clean renewable energy; and better manage waste and fresh water resources.

**Ulupono** <u>opposes</u> **SB 409**, which establishes an annual electric vehicle registration surcharge fee, because it discourages the use of more efficient, cleaner forms of ground transportation.

Electric vehicles (EVs) are an important avenue to address Hawaiʻi's pressing climate issues and align with the State's energy and environmental goals. The State should take a holistic approach to advance our energy and environmental goals, including a consistent demonstration of support for EVs, and should be cognizant of the negative impacts that this bill may cause.

EVs currently offer an effective option to progress clean renewable ground transportation and immediate benefits to Hawai'i:

- EVs can alleviate Hawai'i's high cost of living
- EVs provide immediate impact to reduce our dependence on fossil fuels and decrease greenhouse gas (GHG) emissions
- Hawai'i should be sending a message of support for EVs

### EVs Can Alleviate Hawai'i's High Cost of Living

EVs are an increasingly affordable option for all. For example, the 2019 Nissan Leaf's starting MSRP is \$29,990. After the Federal tax credit is considered, the purchase price is \$22,490, which is less than the average 2019 Toyota Camry and 2019 Honda Civic (the two best-selling sedans in the country).

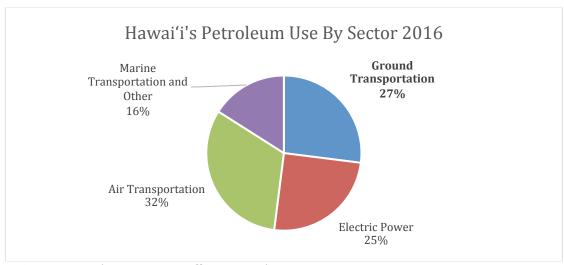
EVs are also cheaper to operate and maintain because they have less moving parts and are more fuel efficient. According to a recent study by the Union of Concerned Scientists,



Honolulu drivers could save more than \$500 per year by switching to an EV.

## **EVs Provide Immediate Energy and Environmental Impact**

Ground transportation alone utilizes more than a quarter of the state's imported petroleum. Electrifying ground transportation will reduce our demand for imported fossil fuels, keeping millions of dollars in the state and cutting harmful pollution.



Source: Hawai'i State Energy Office - Hawai'i Energy Facts & Figures

Converting from petroleum-based vehicles to EVs immediately reduces GHG emissions, helping combat climate change and its impacts on our islands. EVs produce zero-emissions at the tailpipe, and even when full lifecycle emissions (from manufacturing through disposal) are considered, EV emissions are approximately 50 percent lower than internal combustion engine (ICE) vehicles.

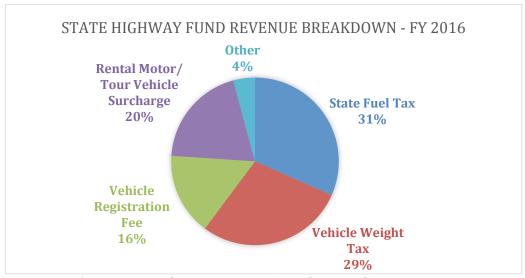
Furthermore, EVs can support the integration of more renewables on the electric grid with smart charging technology and rate structures. Thus, proliferating EVs throughout Hawaiʻi can help accelerate progress towards the State's 100 percent renewable portfolio standard goal, as well as contribute to the State's Paris Agreement commitments and carbon neutral goal.

#### Hawai'i Should Be Sending a Message of Support for EVs

EV Market Is Too Nascent For Policies That Hinder Adoption

While we understand the Hawai'i Department of Transportation's (HDOT) desire to supplement lost fuel tax revenue from EVs and that drivers should pay their fair share for road use, we do not believe an EV registration fee is the right answer at this time. EV adoption has shown impressive growth in Hawai'i, but EVs currently represent less than one percent of all vehicles in the state. Hawai'i must encourage this still nascent market, and it is far too early in the adoption curve to start adding additional costs and barriers to EVs.





Source: Hawai'i Department of Transportation – Annual Financial Statements

## EVs Currently Contribute To The State Highway Fund

As you may know, the State Highway Fund is comprised of revenue from the Fuel Tax, Vehicle Weight Tax, Vehicle Registration Fee, and Rental Motor Vehicle Surcharge. EVs already contribute to the State Highway Fund through the existing Vehicle Weight Tax and Vehicle Registration Fee. With 8,331 registered passenger EVs in the state (as of December 2018), only one percent of the State Fuel Tax's 31 percent, a mere 0.3 percent of the State Highway Fund, is affected by EVs. Furthermore, increasing the vehicle registration fee to \$115 (a \$70 increase) for EV owners, as proposed during the last legislative session, would raise only \$583,170.

#### Collectively, Policy Needs To Support EVs & More Efficient Vehicles

Most importantly, a new EV fee could send a message that the State is not serious about climate change and does believe in the importance of EVs in advancing its sustainability goals. There are several proposed bills in the 2019 legislative session that are EV-related, including a bill seeking to reduce parking and other benefits for EVs. Combined, these bills would be detrimental to EV sales and supply. Plus, they would contradict the State's energy and environmental goals.

Alternatively, there are a number of proposed bills that show strong support for EV adoption, including a rebate/tax credit for investing in EV charging infrastructure. We implore the committee members to consider all of the bills holistically in light of the State's commitments to clean energy and the environment. By balancing bills that will hinder EV adoption with those that would support EVs, the State can build on the current momentum and signal to the market that we support clean transportation.

#### **Recommended Amendment**

If the Legislature is compelled to adopt this EV surcharge, one suggestion is to only do so IF other positive EV policies are passed to counter the negative implications and signals of



<u>this bill.</u> Therefore, the State's comprehensive EV policy will remain strong, align with the State's energy and environmental goals, and indicate to the market that Hawai'i is serious about accelerating EV adoption.

As Hawai'i's energy issues become increasingly complex and challenging, we appreciate this committee's efforts to look at policies that support clean ground transportation.

Thank you for this opportunity to testify.

Respectfully,

Murray Clay Managing Partner









#### SENATE COMMITTEE ON TRANSPORTATION

February 6, 2019, 1:15 P.M.
Room 225
(Testimony is 2 pages long)



### **TESTIMONY IN OPPOSITION TO SB 409**

Aloha Chair Inouye, Vice Chair Harimoto, and Committee members:

Blue Planet Foundation **opposes** SB 409, which may slow our transition to clean transportation by adding to the initial cost of electric vehicles (EVs). Hawaii has adopted critical clean energy targets for renewable energy (100% by 2045), net carbon neutrality (by 2045 through Act 15 of 2018), carbon emissions reduction (commitment to the Paris Climate Agreement goals), and clean transportation (100% renewable transportation by 2045, as adopted by each of the county mayors). Achieving these targets requires an aggressive transformation in Hawaii's energy sector from fossil fuels to clean energy sources.

Because ground transportation accounts for roughly 25% of Hawaii's greenhouse gas emissions, electric vehicles play an important role in moving Hawaii towards its ambitious climate and energy targets. We respectfully urge the legislature to consider the larger policy goals for the state when contemplating any changes to the current incentives for EV adoption.

Although EVs that use the existing electricity grid to charge still use mostly fossil fuel, they use that fuel more effectively than burning fuel directly in a typical gasoline engine. This is why EVs are much less expensive to "fuel" per mile than their gasoline counterparts. Further, by using stored electrical energy, EVs can take advantage of intermittent solar, wind, and other clean energy resources. Most vehicles sit idle over 22 hours of the day, so they can become *de facto* energy storage devices if their batteries are plugged into the grid when they are not in use. With smart grid infrastructure in place, EVs become an essential component to electricity load and clean energy resource balancing—in addition to providing clean mobility solutions for Hawaii residents.

This, in part, inspired the mayors from all four of Hawaii's counties in December 2017, to pledge to transform ground transportation to 100% renewable fuel by 2045. The purpose of their action was to set a vision for clean, modern mobility options for all. This goal is necessary and achievable. The state should support these county goals with appropriate incentives to foster the rapid adoption of electric and other renewable fuel vehicles.

With the mayors' proclamations in 2017, Hawaii joined the ranks of several countries who have also recognized that fossil fuel-powered ground transportation needs to end. Both France and Britain have set a target phasing out the sale of new gas cars by 2040. India set a similar goal for 2030. Belgium, Sweden, and Norway are developing policies to do the same. Earlier this year, China announced plans to electrify its entire vehicle fleet.

These countries recognize the environmental imperative for setting long-term transportation policies. Here, policy is key, as the market fails to account for the environmental and social cost of carbon pollution from vehicles today.

Barriers still remain to widespread EV adoption, including initial vehicle cost, lack of charging infrastructure, and vehicle range. That is why many U.S. states have provided incentives—often in the form of a rebate—to prospective purchasers to help overcome these hurdles. **Instead of incentivizing, Senate Bill 409 actively disincentivizes electrification of transportation by creating an additional cost premium to EV adoption.** 

Additionally, the Hawaii Department of Transportation (HDOT)—through stakeholder engagement—has recently begun working to identify an alternative funding mechanism to replace the gas tax, with the understanding that ground transportation will increasingly be powered by electricity in the future. HDOT is currently launching a new Road User Charge pilot program to see how a per-mile user fee could be an effective way of maintaining our revenue streams as gas tax revenues diminish. Senate Bill 409, which would effectively disincentivize electric vehicles, goes actively against Hawaii's renewable energy and transportation goals and should not be implemented at a time when more long-term and balanced funding solutions are being refined by the State.

Additional fees on EVs should not be considered until HDOT completes its Road User Charge study and develops its plan for a new, sustainable, mileage-based revenue stream. Rather, immediate priority should be placed on implementing a comprehensive, phased incentive structure for EV adoption that complements our renewable transportation goals and climate and carbon neutral commitments.

We respectfully request that the Committee hold SB 409.

Thank you for the opportunity to testify.

<u>SB-409</u> Submitted on: 2/3/2019 11:55:45 AM

Testimony for TRS on 2/6/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Michaels	Individual	Oppose	No

# Comments:

I would support this bill if it included the amount of the charge. As written, this is a blank check. I cannot support that.

<u>SB-409</u> Submitted on: 2/3/2019 12:41:46 PM

Testimony for TRS on 2/6/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Steve Granato	Individual	Oppose	No

### Comments:

Adding a surcharge for registration of electric vehicles sends the wrong message.

At least come up with an amount before you try to pass this bill. HECO is gaining revenue from EV useage AND it's helping them acheive their goals of clean energy. Maybe taxing the electric use to charge the EV's is better method (similar to a fuel tax).

<u>SB-409</u> Submitted on: 2/3/2019 3:30:51 PM

Testimony for TRS on 2/6/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Ronald FitzGerald	Individual	Oppose	No	

### Comments:

If we want our State to be free of Fossil Fuels in the future why do yo want to eliminate the only lasting incentive to own an EV car? The Bill SB 409, does not have a means of collecting this tax with out an expensive addition to staffing, on our EV Cars or the amount of tax to be charged.

# SB-409

Submitted on: 2/3/2019 1:00:21 PM

Testimony for TRS on 2/6/2019 1:15:00 PM

Submitted By Organization		Testifier Position	Present at Hearing	
Bernard M Moret	Individual	Oppose	No	1

### Comments:

Dear Senators,

My wife, Carol Fryer, and I, both residents and registered voters on the Big Island of Hawaii, would like to register our opposition to Senate Bill 409.

We completely understand the issue the state faces in raising revenue to maintain its roads as the efficiency of vehicles increases and the consumption of gasoline and diesel decreases. It is clear that the state needs to devise a long-term plan to address this issue.

However, we feel strongly that SB 409 does not represent such a plan. In the short term, it will raise very little revenue, as the number of electric vehicles on the road is quite small; nor will raising the yearly registration fee for such vehicles help increase their numbers. Increased electrication of the rental car fleets, of the truck haulage fleets, and of private vehicles will yield enormous health benefits for the state, position it even more favorably for tourism, and significantly reduce its dependency on oil imports from across the ocean, so any bill that discourages this change is not in the interest of the state.

The fossil fuel industry already benefits from a very large array of tax breaks and other financial incentives at all governmental levels. Decreasing some of these incentives would raise more revenue more quickly than SB 409 and provide impetus in the right direction. However, while such an approach makes sense as an initial measure, it is clearly not a long-term solution.

We would thus urge your committee and the Senate to reject SB 409 and develop instead a more progressive approach that will work both during the period of transition and beyond, and that will encourage and accelerate this transition.

Respectfully submitted,

**Bernard Moret** 

<u>SB-409</u> Submitted on: 2/3/2019 7:08:29 PM

Testimony for TRS on 2/6/2019 1:15:00 PM

Submitted By	Submitted By Organization		Present at Hearing	
Chris Wells	Individual	Oppose	No	

Comments: